



DEPARTMENT OF INSURANCE
STATE OF NORTH DAKOTA

Jim Poolman
Commissioner of Insurance

COPY

July 19, 2006

Ms. Maxine Blake
Deputy General Counsel
American International Companies
175 Water Street, 18th Floor
New York, NY 10038

RE: Data Security Breach

Dear Ms. Blake:

Thank you for your letter of June 26, 2006, informing me of a possible breach of North Dakota consumers' non-public personal financial and health information as a result of a March 31, 2006, theft of computer equipment.

As you are probably well aware, I take this issue very seriously and will do everything in my power to protect the privacy rights of North Dakota citizens. I am very concerned over the number of people affected by this breach and the potential for personal loss associated with it. Certainly, our consumers will call this Department should they have questions or issues with this particular theft. Therefore, I am asking AIG to provide me with several pieces of information that will assist us in serving these individuals.

Please provide me with the number of North Dakota consumers involved and a list of the consumers' names and addresses.

I would also like to review the privacy policies of AIG and Medical Express and ask that you provide me with copies.

Concerning the investigation of the theft, please provide me with a report of any new developments regarding the investigation as those developments occur. I would like a copy of the theft report filed with the police. Also, please describe any corrective action that AIG will take to prevent similar thefts in the future.

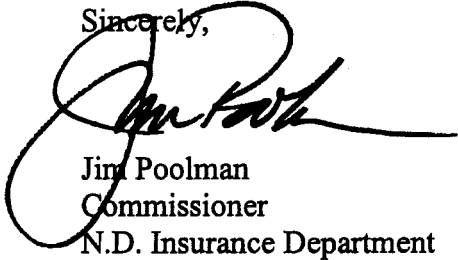
Your letter refers to certain restorative services that will be provided to consumers that are affected by the breach. Please describe more specifically the services that will be provided with

Ms. Maxine Blake
July 19, 2006
Page Two

the name of the company that will provide the services, and explain how the consumers will be identified and enrolled in the services. I would also like to know whether or not AIG is offering to make those consumers whole that suffer a financial loss as a direct result of the breach.

Again, thank you for the notice of the breach. I will be awaiting your prompt reply.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Poolman", is written over the typed name and title. The signature is fluid and cursive, with a large loop at the beginning.

Jim Poolman
Commissioner
N.D. Insurance Department

JP/njb